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22 January 1951

INTELLIGENCE ADVISORY COMMITTEE

Minutes of Meeting held in Director's
Conference Room, Administration Building
Central Intelligence Agency, on 22 January 1951

Director of Central Intelligence
Lieutenant General Walter Bedell Smith
Presiding

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MEMBERS PRESENT

Mr. Fisher Howe, acting for Special Assistant, Intelligence,
Department of State
Major General R. J. Canine, acting for Assistant Chief of
Staff, G-2, Department of the Army
Rear Admiral Felix L. Johnson, Director of Naval Intelligence
Major General Charles P. Cabell, Director of Intelligence,
Headquarters, United States Air Force
Dr. Walter F. Colby, Director of Intelligence, Atomic
Energy Commission
Brigadier General Vernon E. Megee, USMC, Deputy Director
for Intelligence, The Joint Staff
Mr. Victor P. Keay, acting for Assistant to the Director,
Federal Bureau of Investigation

ALSO PRESENT

Mr. William H. Jackson, Central Intelligence Agency
Dr. William L. Langer, Central Intelligence Agency

[redacted] Central
Intelligence Agency

[redacted] Central Intelligence Agency

[redacted] Central Intelligence Agency

Mr. William C. Trueheart, Department of State
Mr. Charles C. Stelle, Department of State
Mr. Mose L. Harvey, Department of State
Colonel Hamilton H. Howze, Department of the Army
Mr. Yaro J. Skalnik, Department of the Army
Captain Ray Malpass, USN, Department of the Navy
Mr. L. P. H. Healey, Department of the Navy
Captain R. G. McCool, USN, The Joint Staff
Mr. C. D. DeLoach, Federal Bureau of Investigation

Secretary

Mr. James Q. Reber
Central Intelligence Agency

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25X1 Approval of Minutes

1. Action: The minutes of the meeting of 15 January 1951 (IAC-M-15) were approved subject to the corrections submitted by General Cabell with respect to remarks attributed to him. A revision of page 1, incorporating these changes has been distributed. The minutes of the meeting of 18 January 1951 (IAC-M-16) were approved with the revision of paragraph 4 to read as follows:

Mr. Jackson called attention to recent articles relating to intelligence and particularly the CIA. He pointed to the public interest necessarily aroused by the appointment of a well-known public figure, General Smith, as Director, and on occasion of a major reorganization of the Agency. He indicated that it is almost imperative to say something to the press or it will make its own deductions and write accordingly. He emphasized that insofar as the press had approached him he had avoided any comment on intelligence as such but had tried to point up the coordinating function of the Agency which was clearly a matter of public record in the law. Mr. Jackson referred to the report of the Dulles Committee which had stressed the fact that the covert aspects of CIA had become too generally known. The report suggested that if publicity could not be avoided as a practical matter, the overt functions of CIA should be emphasized as cover for its secret activities. Members were invited to make suggestions on this problem.

25X1 Prospects for the Creation of an Adequate Western European Defense (NIE-13)

2. Action: Agreed that this study would be greatly improved and more useful to the policy makers if it were approached jointly by the intelligence and the planning officers in the Government. It was understood that CIA would forward a letter to the JCS making the suggestion and that General Smith would talk to General Bradley about this procedure.

25X1 Soviet Course of Action with Respect to Germany (NIE-4)

3. Action: Referred this paper back to the staff for re-drafting to incorporate the views of this meeting. The revision would be submitted for consideration at the IAC meeting on Thursday, 25 January 1951.

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4. Dr. Langer and Mr. Jackson reported on the consultation held over the weekend with the consultants group in Princeton. The main points reported were:

a. Doubt had been raised by the consultants that the USSR would be satisfied with nothing less than a Communist Germany. There was also the possibility that an intermediate but tolerable achievement would be withholding Germany's resources from the West.

b. The question was raised as to whether instead of accommodating to rearmament of Germany the USSR might not redouble its efforts to prevent the impending change in the balance of power.

c. While it was felt that this paper could be refined and improved there was no disagreement with either the urgency or the general import of the paper.

5. The proposed redraft of paragraph 8 which was circulated at the meeting was in general agreed to. It was recognized that there was a need to state more accurately what was intended by the use of the term "accommodating" with respect to one of the USSR's alternatives to Germany's rearmament. Admiral Johnson felt that the last sentence regarding the Kremlin's likelihood of resorting to military action was still out of line with his own thinking.

6. Mr. Howe pointed out that policy officers in the State Department had drawn the inference from the paper that in the event that Western Europe was rearmed and strengthened but Germany was not rearmed, there would be a likelihood of peace with the USSR. This question, it was pointed out, took on added significance because of the possibility [redacted] to refrain from German rearmament would permit peace. There was a consensus that such a conclusion would be unsound and that to refrain from rearming Germany would not change fundamentally the situation with regard to the USSR.

7. General Cabell believed that either in this paper or possibly more satisfactorily in another there should be an examination of whether if a decision was made for the rearmament of Germany there was a likelihood of its actually taking place. The degree of probability of achievement would have a bearing on the likelihood of a USSR decision for war. Such a study should take into account the various avenues available to the USSR for frustrating our attempt

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at German rearmament.

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Estimate of Current Indications
of Russian Intentions

9. Action: Agreed that Dr. Langer should draft the terms of reference for an estimate on the current indication of Russian intentions for consideration. It was understood that in the preparation of such an estimate reliance should be made on the Watch Committee for preliminary work in summarizing the cumulative effect of their various reports on Russian and Satellite activities as they bear on Russian intentions. It was also understood that the purpose of this exercise was to discharge the continuing responsibility of the IAC members to estimate Russian intentions on the basis of current intelligence. Upon conclusion of this effort an assessment would be made of its usefulness and to determine procedure whereby if necessary it might be continued.

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